

## GOVERNMENT OF ANDHRA PRADESH

### ABSTRACT

Public Services – Treasuries and Accounts Department – Karimnagar District – Irregular admittance and passing of Medical Advance Bills in respect of Sri P.Raji Reddy, S.A. and Sri V.Narsinga Rao, J.A. Office of the District B.C.Welfare Office, Karimnagar – Departmental action initiated against Sri M.A.Khadeer, Senior Accountant (Retd.) – Imposition of a punishment of withholding of 10% pension permanently under Rule 9 of A.P. Revised Pension Rules, 1980 – Orders – Issued.

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### FINANCE (ADMN.I.VIG) DEPARTMENT

**G.O.Rt.No.3237**

**Dated: 01-08-2008**

**Read the following:-**

1. DTA Charge Memo.No.K5/21067/2001-2, dt. 17-4-2003 to Sri M.A.Khadeer, Sr. Accountant, District Treasury, Karimnagar.
2. Explanation, dt. 24-6-2003 of Sri M.A.Khadeer, S.A, DT, Karimnagar, dt. 11-6-2003.
3. DTA Lr.No.K(II)6/21067/2001-1, dt. 6-8-2004 alongwith the Enquiry Report of Sri G.Vijaya Kumar, Joint Director, O/o. DTA, AP, Hyderabad, dt. 17-5-2004.
4. DTA Progs.No.K(II)6/21067/2001-1&2, dt. 5-12-2004 issued to Sri B.Sattaiah, STO and M.A.Khadeer, S.A., DT, Karimnagar.
5. Representation, dt. NIL of Sri M.A. Khadeer, S.A., DT, Karimnagar
6. DTA Lr.No.K(II)6/21067/2001-1, dt. 6-8-2004.
7. G.O.Rt.No.3692, Finance (Admn.I.Vig) Department, dt. 13-10-2006
8. Govt. Memo.No.19879/299/A2/Admn.I.Vig/2004-1, dt. 23-10-2006.
9. DTA Lr.No.K(II)6/21067/2001, dt. 14-12-2006 alongwith explanation of Sri M.A.Khadeer, S.A., dt. 11-2006.
10. Govt. Memo.No.19879/299/A2/Admn.I.Vig/2004-1, dt. 1-12-2007.
11. Explanation of Sri M.A.Khadeer, Sr. Accountant (Retd.)
12. Govt. Memo.No.19879/299/A2/Admn.I/2004, dt. 14-3-2008.
13. DTA Lr.No.KII(6)/21067/2001, dt. 08-04-2008 alongwith proforma particulars of Sri V.Babu Rao,A.O. (Retd.).
14. Govt. Lr.No.19879/299/A2/Admn.I.Vig/2004, dt.07-05-2008 addressed to APPSC.
15. Secretary APPSC Lr.No.1067/RT-I/1/2007, dt. 17-06-2008.

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### ORDER:

In the reference 6<sup>th</sup> read above, the Director of Treasuries and Accounts has informed that two irregular Medical Advance Bills for Rs. 75,000/- each in respect of Sri P.Raji Reddy, S.A. Office of the District B.C. Welfare Office, Karimnagar and Sri V.Narasinga Rao, JA, O/o. District B.C. Welfare Office, Karimnagar District without having proper sanction orders of the Head of the Department i.e., the Commissioner of Backward Classes Welfare, Hyderabad, were admitted and passed for payment by the District Treasury, Khammam. The erstwhile Regional Joint Director, Region-III, Hyderabad has found the following staff of the District Treasury, Karimnagar responsible for the above lapse.

- 1) Sri V.Babu Rao, the then District Treasury Officer, Karimnagar District and presently working as Accounts Officer, O/o. the Director of Scholl Education, AP, Hyderabad.
- 2) Sri B.Sattaiah, Sub Treasury Officer, District Treasury, Karimnagar.
- 3) Sri M.A.Khadeer, Sr. Accountant, District Treasury, Karimnagar.

2. The Director of Treasuries and Accounts has initiated Departmental Proceedings against the above individuals including Sri M.A.Khadeer, Senior Accountant under Rule 20 of the APCS (CC&A) Rules, 1991 vide reference 1<sup>st</sup> read above. After examining the explanation of the above charged officers, the Director of Treasuries and Accounts ordered for regular inquiry by appointing Sri G.Vijay Kumar, Joint Director, as Inquiry officer and Sri K.Sree Ramachandra Murthy, Deputy Director, as presenting officer to inquire into the charges. In the inquiry, the charges framed against all the three charged officers were proved. The Director of Treasuries and Accounts has forwarded the case of Sri V.Babu Rao, District Treasury Officer to the Government for imposing a major penalty, since Government is competent to impose a major penalty on a District Treasury Officer as per A.P. Civil Service (CC&A) Rules, 1991.

3. The Director of Treasuries and Accounts has framed the following Article of Charge against Sri M.A.Khadeer, Sr. Accountant, District Treasury, Khammam vide his proceedings No.K5/21067/2001-2, dt. 17-04-2003.

***Charge-I:***

***That the said Sri M.A.Khadeer, Sr. Accountant, District Treasury, Karimnagar while functioning as Senior Accountant, DT, Karimnagar on 2-7-2001 has admitted and passed the medical Advance bills each of Rs. 75,000/- pertaining to S/Sri P.Raji Reddy, Senior Assistant and V.Narasinga Rao, Junior Assistant, O/o. the District Backward Class Welfare Officer, Karimnagar and processed the bills for payment irregularly even though those bills are not having the sanction orders of the Head of the Dept., i.e., Commissioner of Backward Welfare, as required in G.O.Ms.No.86, F & P Department, dt. 1-6-1992 and also not covering the disease as per G.O.Ms.No.445, HM & FW (E2) Department, dt. 19-7-1991, irregularly, thereby he paved way for fraudulent draws, causing financial loss to Government.***

4.1 In the inquiry, the charge framed against Sri M.A. Khadeer, Senior Accountant, District Treasury, Karimnagar was held proved. The observations/findings of the Enquiry Officer are as follows:

4.2. On verification of fly leaf registers, it has been noticed that entries regarding both the bills of Rs. 75,000/- each pertaining to Sri P.Raji Reddy, Sr. Assistant, Office of the District Backward Classes Welfare Officer with Token No. 7700, dt. 2-6-2001 have been made by the Charged Officer. On further enquiry, it has been noticed that even though the entries are made by the Charged Officer, the bills pertaining to Sri P.Raji Reddy has been admitted and passed by Sri A.Nageswara Rao, S.A., District Treasury, Karimnagar. Sri. A.Nageswara Rao, S.A. District Treasury has also stated that he has passed the bills of Rs. 75,000/- pertaining to Sri P.Raji Reddy on 2-6-2001 and the entries regarding such bills has been made by the Charged Officer as his hands tumble while writing. Both the Accountants used to attend the work pertaining to S.A.61, 62. From the above, it is clear that the charged officer has passed only one bill of Rs. 75,000/- and the charges applies to him in partial but not whole. Necessary charges have to be drafted against Sri A.Nageswara Rao, Sr. Accountant, District Treasury, Karimnagar for passing another bill of Rs. 75,000/-

4.3. The bill in question pertaining to Sri V.Narsinga Rao, office of the District Backward Classes Welfare Officer has been submitted to the Treasury on 2-7-2001 and the bill has been admitted on the same day within 2 hours of presentation. As per G.O.Ms.No.86, Finance & Planning (FW.Expr.HM&FW) Department, dt.1-6-1992, the Government have delegated the powers of Head of the Department concerned for sanction of Medical Advance to Government employees who are under going treatment at NIMS but the bills do not have any such orders of Commissioner of B.C. Welfare. The bills in question have to be admitted in the shape of DD for adjustment to the NIMS account, but in the present case, it has been admitted in the shape of cash in haste. The bill also does not contain the basic document like estimation to be issued by the doctors of NIMS for claiming the amount. From the above, it is evident that the bill lacks basic documents. The statement of the Charged Officer that the bill contained all the required documents and hence he has admitted the bill is false and far from truth.

4.4. Another point, the charged officer has put forward in his defence is that he has admitted the bills as they are of similar nature bill to Sri P.Raji Reddy, Sr. Assistant of the office of the District Backward Classes Welfare Officer whose bill has been admitted by his colleague, hence he presumed such kind of bills can be admitted and hence passed the bill. The above contention cannot be accepted, as bad precedent cannot be treated as source of comparison. The other statement that he is ignorant of latest position of rule and GOs regarding the competence of sanction of Medical Advance cannot also be accepted as he is expected to be well-versed with the latest orders in the matter and his duty is to exercise necessary scrutiny regarding competency to sanction, verification of claim with reference to the enclosures and certificates, he has failed to perform such checks under the pretext of ignorance of rule position. After initiation of disciplinary action on the Charged Officer, the amount of Rs. 75,000/- pertaining to Sri V.Narsinga Rao has been recovered and remitted to the Government account. Had the C.O. exercised minimum checks like competency to sanction, estimate of treatment and requisites like issue of D.D. in favour of NIMS, the irregular claim could not have been passed in the first instance itself. The Charged officer failed to submit any evidence in his favour and he was also not willing to cross-examine. From the above said discussion, it has been derived that the charged officer has failed to exercise necessary checks and passed the bill in haste. Therefore, the charge is held proved to the extent of only one bill for Rs. 75,000/- pertaining to Sri V.Narasinga Rao, Jr. Assistant office of the District Backward Classes Welfare Officer, Karimnagar.

5. The Director of Treasuries and Accounts finalized the disciplinary proceedings against Sri M.A. Khadeer, Senior Accountant, District Treasury, Karimnagar District and imposed a penalty of stoppage of one increment without cumulative effect for one year vide his Progs.No.K(II)6/21067/2001-2, dt. 5-12-2004. Government after examination of the matter, observed that there is no justification in proposing a major penalty to a DTO and awarding a minor penalty to the other two co-accused for the same irregularity committed and connived with each other in passing the Medical Advance bills irregularly without following rule position and beyond their competency.

6 Government, after careful examination of the proceedings issued by the Director of Treasuries and Accounts in respect of Sri B.Sattaiah, Sub Treasury Officer, O/o. District Treasury Office and Sri M.A.Khadeer, Sr. Accountant, O/o. the District Treasury, Karimnagar with reference to the findings of the Inquiring Authority observed that the punishments awarded by the Director of Treasuries and Accounts are not commensurate with the gravity of the charges proved against them in the inquiry and there is no justification in awarding a minor penalty to them for the irregularity committed in passing the Medical Advance bills irregularly without following the rule position and beyond their competence and **accordingly set aside the DTA Proceedings of the DTA No. K(II)6/21067/2001-1 & 2, dt. 5-12-2004, issued in respect of the Charged Officers, Sri B.Sattaiah, Sub Treasury Officer, O/o. District Treasury Office and Sri M.A.Khadeer, Sr. Accountant, O/o. the District Treasury, Karimnagar in exercise of the powers conferred under Rule 40 A.P.C.S. (CC&A) Rules, 1991 Vide G.O.Rt.No. 3692, Finance (Admn.I.Vig) Department, dt. 13-10-2006** and further decided to take further action against Sri B.Sattaiah, Sub Treasury Officer (Retd.) and Sri M.A. Khadeer, Sr. Accountant, O/o. the District Treasury, Karimnagar as per the procedure laid down under A.P. Revised Pension Rules, 1980 and A.P.C.S. (CC&A) Rules, 1991.. Sri B.Sattaiah, STO (Retd.) and Sri M.A. Khadeer Sr. Accountant O/o. the DT, Karimnagar were issued Show Cause Notices vide Govt. Memo. No. 19879/299/A2/Admn.I.Vig/2004, dt. 23-10-2006-1 & 2, under Rule 9 of A.P. Revised Pension Rules, 1980 and Rule 9 of A.P.C.S. (CC&A) Rules, 1991 with a direction to explain as to why a suitable punishment should not be imposed on them for the charges, which were conclusively proved in the inquiry.

7. After careful examination of Articles of Charges framed against Sri B.Sattaiah, STO (Retd.) and his written statement of defence, findings of the enquiry officer and his explanation on the findings of the Enquiry Officer and to the final show-cause notice and other relevant material, a punishment of withholding of 10% of pension permanently

under Rule 9 of A.P. Revised Pension Rules, 1980 was imposed on Sri B.Sattaiah, STO, (Retd.) vide G.O.Rt.No.4264, Finance (Admn.I.Vig) Department, dt. 1-12-2007.

8. In the reference 9<sup>th</sup> read above, the DTA has furnished the explanation of Sri M.A.Khadeer, Sr. Accountant. In his explanation Sri M.A.Khadeer, Sr. Accountant has stated that he admitted the Medical Advance Bill on the suggestion of Sri V.Babu Rao, District Treasury Officer, Karimnagar. The DTO, Karimnagar, himself as head of the office sanctioned Rs. 75,000/- Medical Advance of Rs. 75,000/- to Sri Ameen Ahmed, Sr. Accountant of District Treasury Karimnagar. There is no illegal gratification or moral turpitude. The advance of Rs. 75,000/- was repaid by the individual. The Charged Officer requested not to review the case as he was already imposed with the punishment of one increment without cumulative effect.

9. In the mean while, Sri M.A.Khadeer has been retired from service on 30-09-2007 on attaining the age of superannuation. As such, it has been examined and decided to take further action against him as per Rule 9 of A.P. Revised Pension Rules, 1980.

10. Government after careful examination of the Articles of Charge framed against Sri M.A.Khadeer, Sr. Accountant, his written statement of defence, findings of the Enquiry Officer and his explanation on the findings of the Enquiry Officer and other relevant material, observed that two medical bills of Rs. 75,000/- each pertaining to Sri P.Raji Reddy, Senior Assistant and Sri V.Narasinga Rao, Junior Assistant of the Backward Classes Welfare Officer, Karimnagar were submitted on 2-6-2001 and 2-7-2001 respectively. The bill of Sri V.Narasinga Rao was admitted on the same day i.e. within 2 hours from the time submission by the C.O. The Office copies of the bill do not contain the estimates issued by the NIMS and necessary certificates mentioned at Para 5(b) of G.O.Ms.NO.45, HM & FW Department, dt. 19-7-1991. Further the bills were admitted in the shape of cash instead of issuing Demand Draft in favour of NIMS, Hyderabad and the bills was admitted based on the sanction order issued by District Backward Classes Welfare Officer instead of Commission of B.C. Welfare i.e. without sanction by the competent authority as prescribed in G.O.Ms.NO.86, Finance & Planning (FW.EXP. HM & FW) Dept., dt. 1-6-1992. This clearly establishes that the charged officer has passed the bill without exercising Treasury Checks. The mere fact that the persons who had drawn the Medical advance repaid the amounts to the Government in 2003 does not absolve the Charged Officer from his guilt. There was a clear lapse on the part of the Charged Officer and the charge framed against was proved substantially beyond any doubt in the inquiry. Therefore, Government came to a provisional conclusion to impose a punishment of withholding of 10% of pension permanently should not be imposed against him under Rule 9 of A.P. Revised Pension Rules, 1980 and issued a final show-cause notice to him vide reference 10<sup>th</sup> read above.

11. The Charged Officer, in his explanation at reference 11<sup>th</sup> read above, stated that he is not the bill passing authority, his duty is to scrutinize the bill and put up to DTO for approval and the bill is valid for payment with the signature of DTO only. Based on the assurances of Sri V.Babu Rao, DTO and Sri A. Nageshwara Rao, Sr.Accountant, the medical advance bill of Sri V.Narsinga Rao, Jr.Assistant of DBCWO Karimnagar scrutinized and submitted to Sub-Treasury Officer duly appending pass order. The Medical Advance drawn by the DBCWO Karimnagar remitted back into Treasury. He further stated that Smt. Sophia, Sr. Accountant, who processed the Medical Advances files of staff of the District Treasury and put up for sanction orders to DTO for approval was initially awarded punishment of stoppage of two Annual Grade Increments without cumulative effect. Later, Government modified the said punishment to that of stoppage of one increment without cumulative effect in respect of Smt. Ch.Sophia, Sr. Accountant considering her appeal on the grounds that there is no misappropriation or illegal gratification, Sri Md.Saleem Raza, Sr.Accountant who passed the bills based on the sanction orders of DTO was also awarded similar punishment and modified to without cumulative effect. The gravity of charge in respect of both the Senior Accountants is more when compared with that of him for which punishment of stoppage of one increment without cumulative effect already imposed. There is no justification in revising the punishment.

12. Government after careful examination of the Articles of Charges framed against Sri M.A.Khadeer, Sr. Accountant (Retd.) his written statement of defence, findings of the Inquiry Officer and his explanations on the findings of the Enquiry Officer and to the final show-cause notice and other relevant material, observed that two medical bills of Rs. 75,000/- each pertaining to Sri P.Raji Reddy, Senior Assistant and Sri V.Narasinga Rao, Junior Assistant of the Backward Classes Welfare Officer, Karimnagar were submitted on 2-6-2001 and 2-7-2001 respectively. The bill of Sri V.Narasinga Rao was admitted on the same day i.e. within 2 hours from the time submission. The office copy of the bill does not contain the estimates issued by the NIMS and necessary certificates mentioned at Para 5(b) of G.O.Ms.NO.45, HM & FW Department, dt. 19-7-1991. Further the bills was admitted in the shape of cash instead of issuing Demand Draft in favour of NIMS, Hyderabad and the bills was admitted based on the sanction order issued by District Backward Classes Welfare Officer instead of Commission of B.C. Welfare i.e. without sanction by the competent authority as prescribed in G.O.Ms.NO.86, Finance & Planning (FW.EXP. HM & FW) Dept., dt. 1-6-1992. This clearly establishes that the charged officer has passed the bill without exercising Treasury Checks. The mere fact that the persons who had drawn the Medical advance repaid the amounts to the Government in 2003 doe not absolves the Charged Officer from his guilt. There was a clear lapse on the part of the Charged Officer and the charge framed against was proved substantially beyond any doubt in the inquiry. Therefore, Government came to a provisional conclusion to impose a punishment of withholding of 10% pension permanently on the Charged Officer, Sri M.A.Khadeer, Sr. Accountant (Retd.) under Rule 9 of A.P. Revised Pension Rules, 1980 and referred the matter to the Andhra Pradesh Public Service Commission, Hyderabad for their concurrence vide reference 14<sup>th</sup> read above.

13. The A.P. Public Service Commission, Hyderabad in their letter 15<sup>th</sup> read above, have concurred with the proposal of the Government for imposition of a punishment of withholding of 10% pension permanently on the Charged Officer Sri M.A. Khadeer, Senior Accountant (Retd.).

14. Government accordingly, hereby impose a punishment of withholding of 10% of pension permanently on the Charged Officer, Sri M.A.Khadeer, Senior Accountant (Retd.) under Rule 9 of A.P. Revised Pension Rules, 1980.

15. The Director of Treasuries and Accounts, Hyderabad shall take necessary further action in the matter accordingly.

16. The G.O. is available on Internet and can be accessed at the address <http://www.goir.ap.gov.in>.

**(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)**

**VASUDHA MISHRA**  
**SECRETARY TO GOVERNMENT (FP)**

To  
The individual through Director of Treasuries and Accounts, AP, Hyderabad.  
The Director of Treasuries and Accounts, AP, Hyderabad.  
Copy to:  
The Secretary, A.P. Public Service Commission, AP, Hyderabad.  
The Secretary, A.P. Vigilance Commission, Secretariat, Hyderabad.  
SF/SC

**:: FORWARDED BY ORDER ::**

**SECTION OFFICER**